

LEASE AGREEMENT

This LEASE AGREEMENT (the "Lease"), is made as of October 14, 2014 by and between PIERCE COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION, a Washington municipal corporation ("Landlord") and the CITY OF FIFE, a Washington municipal corporation ("Tenant").

1. Premises and Term.

1.1 In consideration of the obligation of Tenant to pay rent as provided in this Lease, and in consideration of the other terms, provisions and covenants of this Lease, Landlord leases to Tenant, and Tenant leases from Landlord those certain Premises [depicted on Exhibit A] attached (the "Premises"), within the building (the "Building") located at 9421 39th Avenue Court SW, Lakewood, Washington, 98499, together with all rights, privileges, easements and appurtenances belonging to or in any way appertaining to the Premises, which Premises are situated upon land described in Exhibit B attached. The Premises consist of approximately five thousand one hundred and five (5,105) square feet of rentable area. The Premises shall consist, generally, of all of the existing office space in the Building and the garage bay closest to the office space on the property.

1.2 The term of this Lease commences on October 14, 2014 (the "Commencement Date") and ends August 31, 2015 (the "Lease Term"). The parties may extend this lease on a month to month basis after the expiration of the Lease Term for up to twelve additional months, upon the written approval of both parties, and provided that Tenant provides confirmation that Tenant has been granted additional funding to administer and lead the Pierce County Auto Theft Task Force. If the parties extend this lease on a month to month basis, to terminate tenancy, the Landlord or Tenant must give the other party a written 30 day notice of Lease non-renewal. If the Tenant plans to leave on or after the first of any month, Tenant is responsible for that month's full rent.

1.3 The taking of possession by Tenant shall be deemed conclusively to establish that the Premises are in good and satisfactory condition, as of when possession was so taken. Tenant acknowledges that no representations as to the condition or repair of the Premises have been made by Landlord, unless expressly set forth in this Lease, and Tenant accepts the Premises "As Is" having had a full and complete opportunity to inspect the same. Tenant acknowledges that the Premises are not fully demised from the remainder of the Building and that Landlord shall have no obligation to demise the Premises from the remainder of the Building. Tenant shall have no right to occupy any portion of the Building except for the Premises for any purpose, including parking of vehicles or storage of personal property.

2. Base Rent and Security Deposit.

2.1 Subject to adjustment pursuant to Section 2.4 below, Tenant agrees to pay to Landlord rent for the Premises, in advance, without demand, deduction or set off, for the entire Lease Term at the annual rate of Seven Thousand Two Hundred and 00/100 Dollars (\$7,200.00),

payable in equal monthly installments of Six Hundred and 00/100 Dollars (\$600.00) (the “Base Rent”). One monthly installment shall be due and payable on the date of this Lease and a monthly installment shall be due and payable on or before the first day of each calendar month following the Commencement Date during the Lease Term, except that the rental payment for any fractional calendar month at the commencement or end of the Lease period shall be prorated on the basis of a thirty (30) day month.

2.2 All Base Rent and other payments required to be made by Tenant to Landlord shall be payable to Landlord at the address set forth in Article 21 or at such other address as Landlord may specify from time to time by written notice. Tenant's obligation to pay Base Rent and any other amounts to Landlord under the terms of this Lease shall not be deemed satisfied until such rent and other amounts have been actually received as good funds by Landlord.

2.3 Notwithstanding anything in Section 2.1 to the contrary, Landlord and Tenant acknowledge that the Base Rent set forth in Section 2.1 was established, in part, based on Landlord's good faith estimate of the utility charges likely to be incurred by Landlord as a result of Tenant's use of the Premises. If, at any time, and upon thirty (30) days' notice, Landlord reasonably determines that the actual average monthly utility charges incurred by Landlord as a result of Tenant's occupancy of the Premises exceeds \$600.00, and Landlord provides to Tenant utility bills and other documentation reasonably acceptable to Tenant demonstrating the same, the Base Rent payable for the remaining Lease Term shall be increased by a) an amount sufficient to fully reimburse Landlord for all past utility charges incurred by Landlord as a result of Tenant's occupancy of the Premises; and by b) by an amount sufficient to cover Tenant's continued occupancy of the Premises for the remainder of the entire Lease Term. The provisions of this Section 2.3 shall be self-effective and no further action of the parties shall be necessary to effectuate the increase in Base Rent described herein. In no event shall the Base Rent be reduced as a result of the application of this Section 2.3.

3. Use. The Premises shall be used only for general office purposes relating to the operation of the Pierce County Auto Theft Task Force. Outside storage of vehicles, is permitted. Tenant shall at its own cost and expense obtain any and all licenses and permits necessary for its use of the Premises. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises, including without limitation Title III of the Americans With Disabilities Act, and shall promptly comply with all governmental orders and directives including but not limited to those regarding the correction, prevention and abatement of nuisances in or upon, or connected with, the Premises, all at Tenant's sole expense. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise or vibrations to emanate from the Premises, nor take any other action that would constitute a nuisance or would disturb or endanger any other occupants of the Building or unreasonably interfere with their use of their respective premises. In addition to any other remedies Landlord may have for a breach by Tenant of the terms of this Article 3, Landlord shall have the right to have Tenant evicted from the Premises for a violation of the use provision. Without Landlord's prior written consent, Tenant shall not receive, store or otherwise handle any product, material or merchandise that is explosive or highly flammable. Tenant will not permit the Premises to be used for any purpose

or in any manner (including without limitation any method of storage) that would render the insurance thereon void or materially increase the insurance risk. If Tenant's use of the Premises results in an increase in insurance premiums, Tenant shall be solely responsible for and pay the increase within ten (10) days after the Landlord's demand therefor.

4. Taxes and Other Charges.

4.1 If at any time during the Lease Term, the present method of taxation shall be changed so that in lieu of the whole or any part of any taxes, assessments, fees or charges levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rents or the present or any future building or buildings, then all such taxes, assessments, fees or charges, or the part thereof so measured or based, shall be added to the Base Rent and shall be payable by Tenant.

4.2 Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in the Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable.

5. Tenant's Maintenance. Tenant shall at its own cost and expense keep and maintain all parts of the Premises (except those for which landlord is expressly responsible under the terms of this Lease) in good condition, promptly making all necessary repairs and replacements, including but not limited to, windows, glass and plate glass, doors, interior walls and finish work, floor and floor covering, replacement of light bulbs and tubes as necessary, regular removal of trash and debris, keeping the parking areas, driveways and the whole of the Premises in a clean and sanitary condition.

6. Landlord's Repairs. After notice from Tenant, Landlord shall repair the roof, exterior walls and foundations, sewage lines, plumbing, electrical systems, sprinklers, life safety systems, downspouts, gutters, heating and air conditioning systems, dock boards, truck doors, dock bumpers, paving, plumbing work and fixtures, termite and pest extermination, as and to the extent necessary to maintain the Building in structurally sound condition. Tenant shall pay for the cost of repairing any damage to such items to be maintained by Landlord caused by any act, omission or negligence of Tenant, or Tenant's employees, agents, licensees or invitees, or caused by Tenant's default under this Lease. The term "walls" as used here does not include windows, glass or plate glass, doors, special fronts or office entries. Tenant shall immediately give Landlord written notice of the need for repairs, after which Landlord shall have a reasonable opportunity and time to repair same.

7. Alterations. Tenant shall not make any alterations, additions or improvements to the Premises (including but not limited to roof and wall penetrations) without the prior written

consent of Landlord, which Landlord may withhold in Landlord's sole and absolute discretion. Tenant may, without the consent of Landlord, but at its own cost and expense and in a good workmanlike manner erect such shelves, bins, machinery and trade fixtures as it may deem advisable, without altering the character of the Premises or improvements and without overloading or damaging the Premises or improvements. Tenant shall comply with all applicable governmental laws, ordinances, regulations and other requirements, including without limitation Title III of The Americans With Disabilities Act. All alterations, additions, improvements and partitions erected by Tenant shall be and remain the property of Tenant during the Lease Term and Tenant shall, unless Landlord otherwise elects as provided below, remove all alterations, additions, improvements and partitions erected by Tenant and restore the Premises to their original condition by the date of termination of this Lease or upon earlier vacating of the Premises. However, if Landlord so elects prior to termination of this Lease or upon Tenant earlier vacating of the Premises, such alterations, additions, improvements and partitions as are designated by Landlord shall become the property of Landlord as of the date of termination of this Lease or upon Tenant earlier vacating the Premises and shall be delivered up to Landlord with the Premises. All shelves, bins, machinery and trade fixtures installed by Tenant may be removed by Tenant before the termination of this Lease if Tenant so elects, and shall be removed by the date of termination of this Lease or upon Tenant earlier vacating the Premises if required by Landlord. Upon any such removal Tenant shall restore the Premises to their original condition. All such removals and restoration shall be accomplished in good workmanlike manner so as not to damage the primary structure or structural qualities of the Building and other improvements.

8. Signs. Tenant shall not install exterior signs upon the Premises without Landlord's prior written approval, which may be withheld in Landlord's sole and absolute discretion. Tenant shall remove all such signs by the termination of this Lease. Such installations and removals shall be made so as to avoid injury or defacement of the Building and other improvements, and Tenant shall repair any injury or defacement, including without limitation discoloration, caused by such installation and/or removal.

9. Inspection.

9.1 Landlord's agent, designated herein as the Chief of Transit Police, or that agent's designee in the event of an emergency, shall have the right to enter and inspect the Premises at any reasonable time during business hours, for the purpose of ascertaining the condition of the Premises or in order to make repairs as may be required or permitted to be made by Landlord under the terms of this Lease. During the period that is six (6) months prior to the end of the Lease Term, Landlord and Landlord's agents and representatives shall have the right to enter the Premises at any reasonable time during business hours for the purpose of showing the Premises and shall have the right to erect on the Premises a suitable sign indicating the Premises are available.

9.2 Tenant shall give written notice to Landlord at least thirty (30) days before vacating the Premises and shall arrange to meet with Landlord for a joint inspection of the Premises before vacating. If Tenant does not give such notice or arrange such joint inspection,

Landlord's inspection at or after Tenant vacates the Premises shall be conclusively deemed correct for purposes of determining Tenant's responsibility for repairs and restoration. It shall be the responsibility of Tenant, before vacating the Premises, to clean and repair the Premises and restore them to the condition in which they were in upon delivery of the Premises to Tenant at the Commencement Date, reasonable wear and tear excepted. Cleaning, repair and restoration shall include, but not be limited to, removal of all trash, cleaning and repainting of walls, where necessary, cleaning of carpet and flooring, replacement of light bulbs and tubes, cleaning and wiping down of all fixtures, maintenance and repair of all heating and air conditioning systems, and all similar work, which shall be done at the latest practical date prior to vacation of the Premises.

10. Utilities. Landlord shall provide water, electricity and gas service connections to the Premises. Landlord shall in no event be liable for any interruption or failure of utility services on the Premises.

11. Assignment and Subletting. Tenant shall not have the right, voluntarily or involuntarily, to assign, convey, transfer, mortgage or sublet the whole or any part of the Premises under this Lease without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion.

12. Fire and Casualty Damage and Insurance.

12.1 Tenant shall notify Landlord immediately after a casualty occurs to the Premises. If in connection with any casualty affecting the Premises or the Building: (a) more than ten percent (10%) of the Building is damaged by fire or other casualty; (b) the casualty is not insured; (c) the cost of restoration would exceed the insurance proceeds; or (d) rebuilding or repairs cannot in Landlord's estimation be completed within one hundred eighty (180) days after the occurrence of the casualty, then Landlord may elect to terminate this Lease effective upon the date of the occurrence of such damage. Landlord shall give notice to Tenant in writing of its election to terminate this Lease within sixty (60) days following the date of the occurrence of such damage.

12.2 If this Lease is not terminated by Landlord pursuant to Section 12.1, Landlord shall at its sole cost and expense to the extent of any available insurance proceeds rebuild and repair the Building with reasonable diligence to substantially the condition in which it existed prior to such damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partition, fixtures, additions and other improvements which may have been placed in, or about the Premises by Tenant which shall be restored and repaired by Tenant at its sole cost and expense. If the Premises are untenable in whole or in part following such damage, the Base Rent payable during the period in which they are untenable shall be reduced to such extent as may be fair and reasonable under all of the circumstances. If Landlord does not complete such repairs and rebuilding within one hundred eighty (180) days after the occurrence of the casualty, Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord within ten (10) days after the conclusion of such one hundred eighty (180) day period as Tenant's exclusive remedy.

12.3 Tenant shall, during the Term and any other period of occupancy, at its sole cost and expense, keep in full force and effect the following insurance:

12.3.1 Commercial General Liability Insurance and/or public entity self-insured retention (“SIR”) adequate to insure Tenant against any liability arising out of lease, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance or SIR shall be in the amount of not less than Two Million Dollars (\$2,000,000) Combined Single Limit for injury to, or death of one or more persons in an occurrence, and for damage to tangible property (including loss of use) in an occurrence. The policy or SIR shall insure the hazards of premises and operations, independent contractors, contractual liability (covering the indemnity contained in Article 13 hereof) and commercial policies shall (a) name Landlord as an additional insured, and (b) contain a severability of interests provision, a provision that the insurance provided to Landlord as additional insured shall be primary to and not contributory with insurance maintained by Landlord, and a provision that an act or omission of one of the insureds or additional insureds that would void or otherwise reduce coverage shall not reduce or void the coverage as to the other named and additional insureds. Evidence of insurance pursuant to this provision shall be provided to Landlord in the form of certification or affirmation of SIR no later than fifteen (15) days after execution of this Lease.

12.3.2 First party property insurance sufficient to cover all of Tenant’s property, possessions and equipment located in or on the Premises from loss, theft, or damage. It is Tenant’s responsibility to insure its own property, and Landlord may not be held responsible or liable for loss, theft, or damage to Tenant’s property.

12.3.3 Any other forms of insurance and in such amounts as Landlord or any mortgagees of Landlord may reasonably require from time to time.

All policies shall be written in a form satisfactory to Landlord and shall be taken out with insurance companies holding a General Policyholders Rating of “A” or higher, as set forth in the most current issue of Best’s Insurance Guide. Within ten (10) days after the execution of the Lease, but in any event before Tenant occupies the Premises, Tenant shall deliver to Landlord copies of policies or certificates evidencing the existence of the amounts and forms of coverage satisfactory to Landlord, which shall be kept current throughout the Lease Term. No policy shall be subject to cancellation or reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall at least ten (10) days before expiration of such policies, furnish Landlord with renewals or “binders” thereof, or Landlord may order such insurance and charge the cost thereof to Tenant as additional rent.

12.4 Each party waives and releases claims arising in any manner in its (“Injured Party's”) favor and against the other party for loss or damage to Injured Party's property located within or constituting a part or all of the Premises. This waiver applies to the extent the loss or damage is covered by: (a) the Injured Party's insurance; or (b) the insurance the Injured Party is required to carry under this Article 12, whichever is greater. This waiver applies whether or not the loss is due to the negligent acts or omissions of Landlord or Tenant, or their respective

officers, directors, employees, agents, contractors, or invitees. This waiver and release extends to anyone claiming through or under a party as a result of a right of subrogation. This waiver and release does not apply to claims caused by a party's willful misconduct. Each party shall obtain from its insurance carrier a waiver of subrogation as a clause in or endorsement to its policy, provided however, that the endorsement shall not be required if the applicable policy of insurance permits the named insured to waive rights of subrogation on a blanket basis, in which case the blanket waiver shall be acceptable.

13. Indemnity.

13.1 Landlord shall not be liable to Tenant or Tenant's employees, agents, servants, guests, invitees or visitors, or to any other person for any injury to person or damage to property on or about the Premises, resulting from and/or caused in part or whole by the negligence or misconduct of Tenant, its employees, agents, servants, guests, invitees, and visitors, or of any other person entering upon the Premises, or caused by the Building and improvements located on the Premises becoming out of repair, or caused by leakage of fuel, oil, water or steam or by electricity emanating from the Premises, or due to any other cause except injury to persons or damage to property caused by the gross negligence or willful misconduct of Landlord.

13.2 Subject to the waiver in Section 12.4, Tenant shall indemnify and hold harmless Landlord from claims, suits, actions, or liabilities for personal injury, death or for loss or damage to property that arises out of (a) any activity, work or thing permitted or suffered to be done by Tenant or any of its employees, agents, contractors, or invitees at the Premises, or (b) the negligence or willful misconduct of Tenant, its employees, agents, contractors, or invitees, or (c) any breach or default by Tenant in the performance of any obligation on Tenant's part to be performed under this Lease.

This indemnity does not apply (x) to claims, suits, actions or liabilities to the extent they are caused by the negligent acts or omissions or willful misconduct of Landlord, its employees, agents, contractors, or invitees, (y) to damage, claims, suits, actions or liabilities waived under Section 12.4, or (z) to the indemnity in Article 23.

In the absence of comparative or concurrent negligence on the part of Landlord, its agents, their affiliates and subsidiaries, or their respective directors, employees or contractors the foregoing indemnity shall also include reasonable costs, expenses and attorney's fees incurred in connection with any indemnified claim or incurred by Landlord in successfully establishing the right to indemnity. Tenant shall have the right to assume the defense of any claim subject to this indemnity. Landlord agrees to cooperate fully with Tenant and Tenant's counsel in any matter where Tenant elects to defend, provided Tenant promptly reimburses Landlord for reasonable costs and expenses incurred in connection with its duty to cooperate.

The foregoing indemnity is conditioned upon Landlord providing prompt notice to Tenant of any claim or occurrence that is likely to give rise to a claim, suit, action or liability that

will fall within the scope of the foregoing indemnity, along with sufficient details that will enable Tenant to make a reasonable investigation of the claim.

When the claim is caused by the joint negligence or willful misconduct of Tenant and Landlord or Tenant and a third party unrelated to Tenant (except Tenant's agents, officers, employees or invitees), Tenant's duty to indemnify and defend shall be proportionate to Tenant's allocable share of joint negligence or willful misconduct.

13.3 Subject to the waiver in Section 12.4, Landlord shall indemnify and hold harmless Tenant from claims, suits, actions, or liabilities for personal injury, death or for loss or damage to property that arises from (a) the negligence or willful misconduct of Landlord, its employees, agents or contractors; or (b) any breach or default by Landlord in the performance of any obligation on Landlord's part to be performed under this Lease.

This indemnity does not apply to claims, suits, actions or liabilities to the extent they are caused by the negligent acts or omissions or willful misconduct of Tenant, its agents, employees, contractors or invitees, to damage, claims, suits, actions or liabilities waived under Section 12.4.

In the absence of comparative or concurrent negligence on the part of Tenant, its agents, their affiliates and subsidiaries, or their respective directors, employees or contractors the foregoing indemnity shall also include reasonable costs, expenses and attorney's fees incurred in connection with any indemnified claim or incurred by Tenant in successfully establishing the right to indemnity. Landlord shall have the right to assume the defense of any claim subject to this indemnity with counsel reasonably satisfactory to Tenant. Tenant agrees to cooperate fully with Landlord and Landlord's counsel in any matter where Landlord elects to defend, provided Landlord shall promptly reimburse Tenant for reasonable costs and expenses incurred in connection with its duty to cooperate.

The foregoing indemnity is conditioned upon Tenant providing prompt notice to Landlord of any claim or occurrence that is likely to give rise to a claim, suit, action or liability that will or may fall within the scope of the foregoing indemnity, along with sufficient details that will enable Landlord to make a reasonable investigation of the claim.

When a claim is caused by the joint negligence or willful misconduct of Tenant and Landlord or Landlord and a third party unrelated to Landlord (except Landlord's agents, officers, employees or invitees), Landlord's duty to indemnify and defend shall be proportionate to Landlord's allocable share of joint negligence or willful misconduct.

13.4 The indemnification obligations contained in this Article 13 shall not be limited by any worker's compensation, benefit or disability laws, and each indemnifying party hereby waives any immunity that said indemnifying party may have under the Industrial Insurance Act, Title 51 RCW and similar worker's compensation, benefit or disability laws.

13.5 LANDLORD AND TENANT ACKNOWLEDGE BY THEIR EXECUTION OF THIS LEASE THAT EACH OF THE INDEMNIFICATION PROVISIONS OF THIS LEASE (SPECIFICALLY INCLUDING BUT NOT LIMITED TO THOSE RELATING TO WORKER'S COMPENSATION BENEFITS AND LAWS) WERE SPECIFICALLY NEGOTIATED AND AGREED TO BY LANDLORD AND TENANT.

13.6 THE INDEMNIFICATION OBLIGATION HEREUNDER SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

14. Condemnation.

14.1 If all or any substantial part of the Premises is taken for any public or quasi-public use under government law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof and the taking would prevent or materially interfere with the use of the Premises for the purpose for which they are being leased, this Lease shall terminate when the physical taking of said Premises occurs.

14.2 If part of the Premises is taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in Section 14.1, this Lease shall not terminate but the Basic Rent payable during the unexpired portion of this Lease shall be reduced to such extent as may be fair and reasonable under all of the circumstances.

14.3 Landlord shall receive the entire award for any such taking or private purchase in lieu thereof. Tenant shall be entitled to make a claim in any condemnation proceedings that does not reduce the amount of Landlord's award, and for the value of any furniture, furnishings and fixtures installed by and at the sole expense of Tenant.

15. Holding Over. Tenant will, at the termination of this Lease, by lapse of time or otherwise, immediately yield possession to Landlord. If Landlord agrees in writing that Tenant may hold over after the expiration or termination of this Lease, unless the parties otherwise agree in writing on the terms of such holding over, the hold over tenancy shall be subject to termination by Landlord or by Tenant at any time upon not less than thirty (30) days advance written notice, and all of the other terms and provisions of this Lease shall be applicable during that period except that Tenant shall pay Landlord monthly, as rental for the period of any hold over, an amount equal to one and one-half (1½) the Base Rent in effect on the termination date, plus all additional rental as defined herein. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided. The provisions of this Article 15 shall not be construed as Landlord's consent for Tenant to hold over.

16. Quiet Enjoyment. Landlord covenants that it has good title to the Premises, free and clear of all liens and encumbrances, excepting only the lien for current taxes not yet due, zoning ordinances and other building and fire ordinances and government regulations relating to the use of such property, and easements, restrictions and other conditions of record. Landlord represents and warrants that it has full right and authority to enter into this Lease and that Tenant,

upon paying the rent and performing its other covenants and agreements set forth in this Lease, shall peaceably and quietly have, hold and enjoy the Premises for the term without hindrance or molestation from Landlord, subject to the terms and provisions of this Lease.

17. Events of Default. “Events of Default” by Tenant under this Lease include, but are not limited to the following:

(a) Tenant does not pay any installment of the Base Rent or other payments owed Landlord when due, and such failure shall continue for a period of five (5) days from the date such payment was due;

(b) Tenant does not comply with any term, provision or covenant of this Lease (other than as described in Section 17(a)), and does not cure such failure within thirty (30) days after written notice of the breach is given to Tenant (or if the breach requires longer than thirty (30) days to cure, Tenant fails to start curing within thirty (30) days after receipt of written notice and to promptly and diligently prosecute the cure to completion);

(c) Tenant becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors;

(d) The filing by or against Tenant of a petition to have Tenant adjudged bankrupt or a petition for reorganization under any law relating to bankruptcy (unless in the case of a petition filed against Tenant, the petition is dismissed within sixty (60) days);

(e) A receiver or trustee is appointed for all or substantially all of the assets of Tenant; and

(f) Tenant vacates any substantial portion of the Premises.

18. Remedies. Upon the occurrence of any Event of Default, as described in Article 17, Landlord shall have the option to pursue any one or more of the following remedies without notice or demand.

18.1 Accelerate all rent payments under the Lease which shall then become immediately due and payable.

18.2 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails so to do, Landlord may, without prejudice to any other remedy it may have for possession or unpaid rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, and Tenant agrees to pay to Landlord on demand the amount of all loss and damage Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise.

18.3 Enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, and relet the Premises for such terms ending before, on or after the expiration date of the Lease Term, at such rentals and upon such other conditions (including concessions and prior occupancy periods) as Landlord in its sole discretion may determine, and receive the rent therefor; and Tenant agrees to pay to the Landlord on demand any deficiency that may arise by reason of such reletting. Landlord shall have no obligation to relet the Premises or any part thereof and shall not be liable for refusal or failure to relet or in the event of reletting for refusal or failure to collect any rent due upon such reletting. If Landlord is successful in reletting the Premises at a rental in excess of that agreed to be paid by Tenant pursuant to the terms of this Lease, Landlord and Tenant agree that Tenant shall not be entitled, under any circumstances, to the excess rental, and Tenant specifically waives any claim to the excess rental.

18.4 Enter upon the Premises, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action, whether caused by the negligence of Landlord or otherwise.

18.5 Whether or not Landlord retakes possession or relets the Premises, Landlord shall have the right to recover unpaid rent and all damages caused by Tenant's default, including attorney's fees. Damage shall include, without limitation: all rentals lost, all legal expenses and other related costs incurred by Landlord following Tenant's default, all costs incurred by Landlord in restoring the Premises to good order and condition, or in remodeling, renovating or otherwise preparing the Premises for reletting, all costs (including without limitation any brokerage commissions and the value of Landlord's time) incurred by Landlord, plus interest thereon from the date of expenditure until fully repaid at the rate of twelve percent (12%) per annum (the "Default Rate").

18.6 If Tenant does not pay any installment of Basic Rent or other charges owed Landlord under this Lease as and when due, to help defray the additional cost to Landlord for processing late payments Tenant shall pay to Landlord on demand a late charge in an amount equal to five percent (5%) of the payment. The late charge shall be in addition to all of Landlord's other rights and remedies under this Lease or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. If any Base Rent, additional rent or any other sums payable hereunder by Tenant are not paid within thirty (30) days after any such Base Rent or other sum becomes due, then in addition to the above-stated late charge, Tenant shall pay Landlord interest at twelve percent (12%) on all sums due and not paid at the Default Rate.

18.7 To the extent not prohibited by law, pursuit of one remedy shall not preclude pursuit of any other remedies, such remedies being cumulative and non-exclusive, nor shall pursuit of any remedy constitute a forfeiture or waiver of any rent due Landlord or of any damages accruing to Landlord by reason of Tenant's breach of this Lease. No act or thing done by the Landlord or its agents during the Lease Term shall be deemed a termination of this Lease

or an acceptance of the surrender of the Premises. No agreement to terminate this Lease or accept a surrender of said Premises shall be valid unless in writing signed by Landlord. No waiver by Landlord of any violation or breach of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms of this Lease. Landlord's acceptance of the payment of rental or other payments after the occurrence of an Event of Default shall not be deemed or construed as a waiver of such default, or as an accord and satisfaction. Forbearance by Landlord to enforce one or more of the remedies upon an Event of Default shall not be deemed or construed to constitute a waiver of such default or of Landlord's right to enforce any remedies with respect to such default or any subsequent default.

18.8 If Landlord employs the services of an attorney in connection with an Event of Default by Tenant under this Lease, or if either party brings an action or proceeding against the other party arising out of or concerning performance or interpretation of this Lease, the prevailing party shall be entitled to recover from the other party its attorneys fees and costs.

19. Mortgages. Tenant accepts this Lease subject and subordinate to any mortgage(s) and/or deed(s) of trust now or at any time hereafter constituting a lien or charge upon the Premises or the improvements situated thereon, provided, however, that if the mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Tenant's interest in this Lease superior to any such instrument, then by notice to Tenant from such mortgagee, trustee or holder, this Lease shall be deemed superior to such lien, whether this Lease was executed before or after said mortgage or deed of trust. Tenant shall at any time hereafter on demand execute any instruments, releases or other documents which may be required by any mortgagee for the purpose of subjecting and subordinating this Lease to the lien of any such mortgage.

20. Mechanic's Liens. Tenant shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature upon, or in any manner to bind, the interest of Landlord in the Premises or to charge the rentals payable under this Lease for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the leasehold interest granted to Tenant by this instrument. Tenant will pay or cause to be paid all sums due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises on which any lien is or can be validly and legally asserted against its leasehold interest in the Premises or the improvements thereon. Tenant will discharge, by bond or otherwise, any mechanic's lien filed against the Premises or the Building for work claimed to have been done for, or materials claimed to have been furnished to Tenant, within ten (10) days after filing. Tenant will indemnify, defend and hold Landlord harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Landlord in the Premises or under the terms of this Lease.

21. Notices. All notices, demands or requests which may or are required to be given by one party to the other under this Lease shall be given in writing and sent by United States Registered or Certified Mail, postage prepaid, return receipt requested, or nationally recognized overnight air carrier, and addressed to the Landlord's address or Tenant's address below, as the

case may be. Notices shall be deemed to have been given upon receipt or attempted delivery where delivery is not accepted. Either party may change its address upon notice given to the other. Tenant shall also give default notices to Landlord's mortgagee after receiving notice from Landlord of the mortgagee's name and address.

To Landlord: Pierce Transit
3701 96th St. SW
Lakewood, WA 98499-4431
Attn: Chief Operations Officer

with a copy to: Pierce Transit
3701 96th St. SW
Lakewood, WA 98499-4431
Attn: General Counsel

To Tenant: City of Fife
5411 23rd St East
Fife, WA 98424
Attn: City Manager David K. Zabell

with a copy to: Fife Police Department
3737 Pacific Hwy East
Fife, WA 98424
Attn: Assistant Chief Mark Mears

22. Hazardous Materials. Tenant shall not cause or permit the presence, use, generation, release, discharge, storage, disposal, or transportation of any Hazardous Materials (as defined below) on, under, in, above, to, or from the Premises, the Building or the property on which the Building is located, other than in strict compliance with all applicable federal, state and local laws, regulations and orders. The term "Hazardous Materials" refers to any substances, materials, and wastes that are or become regulated as hazardous or toxic substances dangerous wastes, hazardous wastes, extremely hazardous wastes, special wastes or universal wastes under any applicable local, state or federal law, regulation or order. Tenant shall indemnify, defend and hold Landlord harmless from and against: (a) any loss, cost, expense, claim, or liability arising out of any investigation, monitoring, clean-up, containment, removal, storage, or restoration work required by, or incurred by Landlord or any nongovernmental entity or person in a reasonable belief that such work is required by any applicable federal, state or local law, governmental agency, or political subdivision ("Remedial Work"); and (b) any claims of third parties for loss, injury, expense, or damage arising out of the presence, release or discharge of any Hazardous Material on, under, in, above, to, or from the Premises during the term of this Lease. If any Remedial Work is required under any applicable federal, state or local law during the term of this Lease, Tenant shall perform or cause to be performed the Remedial Work in compliance with such law, regulation or order. All Remedial Work shall be performed by one or more contractors under the supervision of a consulting engineer, each selected by Tenant and approved in advance in writing by Landlord. If Tenant does not commence the Remedial Work

in a timely fashion or does not diligently prosecute the Remedial Work to completion, Landlord may, but shall not be required to, cause the Remedial Work to be performed, subject fully to the indemnification of this Article 23. The foregoing indemnification obligation shall survive termination of this Lease.

23. Miscellaneous.

23.1 Binding Effect. This Lease shall apply to, inure to the benefit of, and be binding upon, the parties and their respective heirs, legal representatives, successors and permitted assigns, except as otherwise expressly provided in this Lease. Landlord shall have the right to assign any of its rights and obligations under this Lease. This Lease may be executed in counterparts for the convenience of the parties.

23.2 Tenant's Authority. Tenant represents and warrants that it is duly authorized to enter into this Lease.

23.3 Captions, Governing Law, and Forum Selection. The captions inserted in this Lease are for convenience only, they in no way define, limit or otherwise describe the scope or intent of this Lease, and shall not be used to interpret or construe this Lease. This Lease shall be governed by the laws of the State of Washington and any dispute arising under or in connection with this Lease or related to any matter which is the subject of this Lease shall be subject to the exclusive jurisdiction of the Pierce County Superior Court in Tacoma, Washington.

23.4 Amendment. This Lease may not be altered, changed or amended except by an instrument in writing signed by both parties.

23.5 Survival. All obligations of Tenant hereunder not fully performed as of the expiration or earlier termination of the term of this Lease and the indemnity provisions shall survive the expiration or earlier termination of the Term hereof, including without limitation all payment obligations with respect to taxes and insurance and all obligations concerning the condition of the Premises.

23.6 Severability. If any clause or provision of this Lease is found to be illegal, invalid or unenforceable, then the remainder of this Lease shall not be affected thereby.

23.7 No Offer. Submission of this Lease for examination or signature by Tenant does not constitute a reservation of or option to Lease, and it is not effective as a Lease or otherwise until execution by and delivery to both Landlord and Tenant.

23.8 Effective Date. All references in this Lease to "the date" of this Lease or similar references shall be deemed to refer to the last date on which all parties have executed this Lease.

23.9 Time. Time is of the essence of this Lease with respect to the performance of every provision in which time of performance is a factor.

23.10 Recording. Neither party shall record this Lease or a memorandum thereof without the consent of the other party.

23.11 Light and Air. This Lease does not grant any right of access to light, air or view over the Premises, and Landlord shall not be liable from any diminution of light, air or view by an adjacent structure or vegetation.

23.12 Merger. This Lease supersedes any and all other agreements, either oral or in writing, between the parties with respect to the Premises and contains all of the covenants and agreements and other obligations between the parties with respect to the Premises.

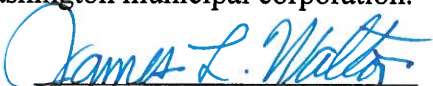
24. Liability of Landlord. If Landlord sells or transfers the Premises, Landlord, on consummation of the sale or transfer, shall be released from any liability thereafter accruing under this Lease if Landlord's successor has assumed in writing, for the benefit of Tenant, Landlord's obligations under this Lease. If any security deposit or prepaid rent has been paid by Tenant, Landlord shall transfer such security deposit or prepaid rent to Landlord's successor and on such transfer Landlord shall be discharged from any further liability with respect to such security deposit or prepaid rent. Tenant agrees that no officer, employee, agent, or individual partner of Landlord, or its constituent entities, shall be personally liable for any obligation of Landlord under this Lease, and that Tenant must look solely to the interest of Landlord, or its constituent entities in the subject real estate, for the enforcement of any claims against Landlord arising under or in connection with this Lease.

Signatures Appear on Following Page

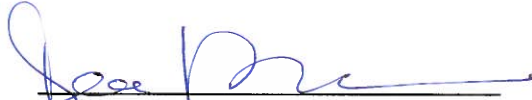
IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

LANDLORD:

PIERCE COUNTY PUBLIC TRANSPORTATION
BENEFIT AREA CORPORATION,
a Washington municipal corporation.


By: 
Name: James L. Walton
Title: Interim Chief Executive Officer
Date: 10/14/14

APPROVED AS TO FORM:

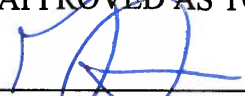
 10/14/14
General Counsel

TENANT:

CITY OF FIFE,
a Washington municipal corporation.

By: 
Name: David K. Zabell, SUBIR MUKERJEE
Title: ^{Interim} City Manager
Date: 11/3/14

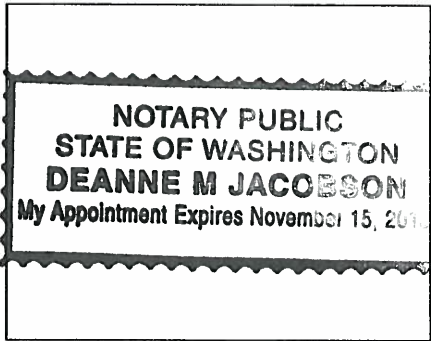
APPROVED AS TO FORM:


City Attorney

STATE OF Washington)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that James L. Walton is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Interim CEO of Pierce Transit to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10-14-14



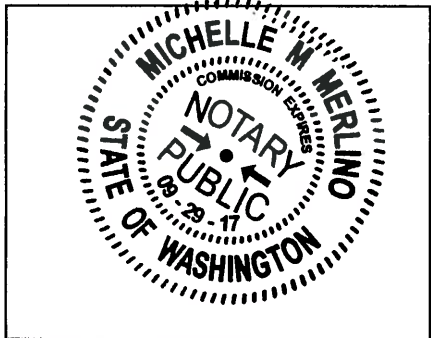
(Use this space for notarial stamp/seal)

Deanne M. Jacobson
Notary Public
Print Name Deanne M. Jacobson
My commission expires 11-15-2015

STATE OF Washington)
) ss.
COUNTY OF Pierce)

I certify that I know or have satisfactory evidence that Subir Mukerjee is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Interim City Manager of The City of Fife to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

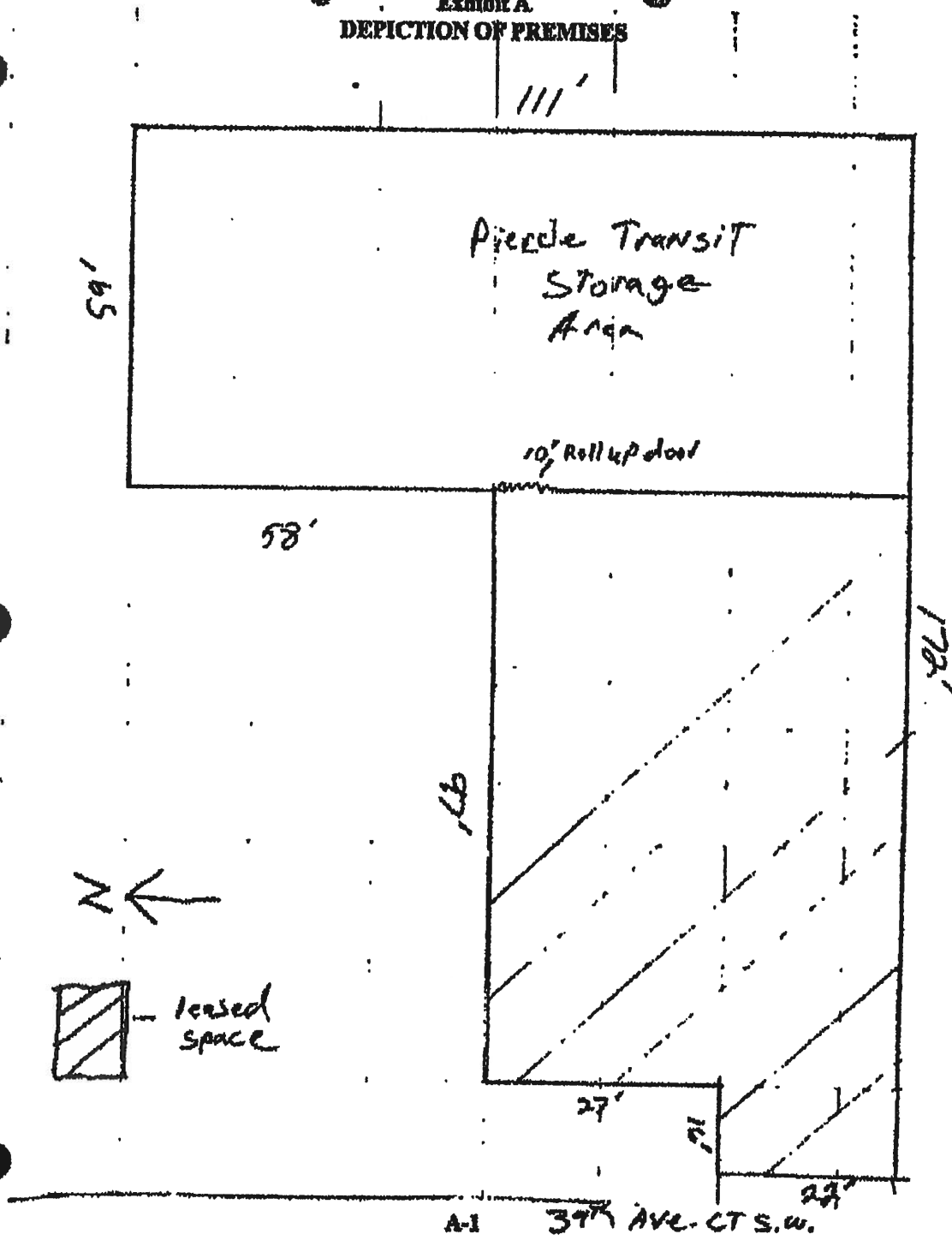
Dated: 11/5/14



(Use this space for notarial stamp/seal)

Michelle M. Merlino
Notary Public
Print Name Michelle M. Merlino
My commission expires 9/29/17

Exhibit A
DEPICTION OF PREMISES



**Exhibit B
LEGAL DESCRIPTION OF LAND**



The Andover Company, Inc.
418 Baker Boulevard, Suite 200
Tulane, VA 24788
Phone: (502) 244-0770
Fax: (502) 240-0220

© Commercial Realty
Associates, Inc.
ALL RIGHTS RESERVED
CRS Form PG-64
Purchase & Sale Agreement
Rev. 10/91
Page 19 of 21

CR

**COMMERCIAL & INVESTMENT REAL ESTATE
PURCHASE & SALE AGREEMENT
(CONTINUED)**

**EXHIBIT A -
(Legal Description)**

Lot 2, Platte County Short Plat No. 75-142, as recorded March 28, 1978 in Volume 8 of Short Plats at Page 12,
records of Platte County Auditor;

Except that portion lying within the plat of Lakerwood Commercial Park, according to plat recorded in Book 50 of
plats at pages 5, 6 and 7, records of Platte County Auditor;

Shants in the City of Lakerwood, County of Platte, State of Washington.

See Exhibit "A" attached hereto and made a part hereof by reference for exceptions to this.

Tax Parcel Number(s): 022050002

Date: September 27, 2007

Exhibit B
LEGAL DESCRIPTION OF LAND



The Andover Company, Inc.
438 Baker Boulevard, Suite 200
Tacoma, WA 98408
Phone: (252) 844-0770
FAX: (252) 249-8228

© Copyright 1998
All Rights Reserved
250 First Floor
P.O. Box 1000
Tacoma, WA 98401
Page 14 of 14

OK

COMMERCIAL & INVESTMENT REAL ESTATE
PURCHASE & SALE AGREEMENT
(CONTINUED)

To ensure accuracy in the legal description, consider substituting the legal description contained in the preliminary commitment for title insurance or a copy of the Property's last vesting deed for this page. Do not neglect to label the substitution "Exhibit A." You should avoid transcribing the legal description because any error in transcription may render the legal description inaccurate and this Agreement unenforceable.

EXHIBIT 'A'

EXCEPTIONS TO TITLE:

1. MINERALS CONTAINED IN DEED FROM THE STATE OF WASHINGTON RECORDED UNDER RECORDING NO. 13842, INRESPONSE TO THE GRANTOR ALL OIL, GAS, COAL, ORES, MINERALS, PEPPER, ETC., AND THE RIGHT OF ENTRY FOR OREMIN, DEVELOPMENT AND WORKING THE SAME, AND PROVIDING THAT SUCH RIGHTS SHALL NOT BE SUBJECT TO THE PROVISION HAS BEEN MADE FOR FULL PAYMENT OF ALL OBLIGATIONS SUBMITTED BY REASON OF SUCH ENTRY.

RIGHT OF STATE OF WASHINGTON OR ITS SUCCESSORS, SUBJECT TO PAYMENT OF COMPENSATION THEREFOR, TO ACQUIRE RIGHTS-OF-WAY FOR PRIVATE HIGHWAYS, DEED ROADS, FLEETS, CANALS, WATER COURSES OR OTHER IMPROVEMENTS FOR TRANSPORTING AND MOVING TIMBER, GRAIN, MINERALS AND OTHER PRODUCTS FROM THIS AND OTHER LAND, AS REFERRED IN DEED REFERRED TO ABOVE.

2. ALL COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS OR OTHER ENCUMBRANCES, IF ANY, ENCLOSED BY THE SHORT PLAT RECORDED UNDER RECORDING NO. 74-142.

THIS POLICY DOES NOT INSURE THAT THE LAND DESCRIBED IN SCHEDULE A IS SUBJECT TO EASEMENTS, COVENANTS OR OTHER ENCUMBRANCES EXCEPT ON THE PLAT OR SURVEY TO WHICH OR UNDER WHICH REAL PROPERTY OUTSIDE THE BOUNDARIES OF SAID LAND.

NOTAL

APPROVED BY THIS PLAT OF LAKEVIEW COMMERCIAL PARK IN VOLUME 50 OF PLATS AT PAGES 5, 6 AND 7:

RECORDED:
RECORDING NO.:

NOVEMBER 28, 1974
2703818